## DEPARTMENT OF HEALTH SERVICES

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(916) 323-0503



September 30, 1987

CMSP Letter 87-10

TO: All County Welfare Directors

SUBJECT: CMSP Eligibility Manual Revisions

This letter transmits two (2) copies of revisions to the County Medical Services Program (CMSP) Eligibility Manual. You should immediately reproduce sufficient copies of these revisions to replace pages in existing copies of the CMSP manual. The most recent prior CMSP letter containing manual revisions was 87-6 (July 1, 1987). These revisions include:

## 1. <u>Section 0039</u>.

Encumbrances of Record - amended to clarify that "of record" means any written statement or document which evidences that the property is security for an obligation, and that an individual person, as well as an institution, may hold the encumbrance.

## 2. <u>Section 0475.</u>

Life Insurance - amended to specify that the cash surrender value of life insurance policies shall be exempt only when the total face value of <u>all</u> policies, except term insurance, are \$1,500 or less. Thus, if a person has four policies, each with a face value of \$500, none of the cash surrender value can be exempt. Previously, the cash surrender value of life insurance policies which had a combined face value of \$1,500 or less were exempt.

- 3. <u>Section 0503.</u> Gross Earned income amended to specify that amounts designated for meals provided by an employer or amounts received as tips are earned income.
- 4. <u>Section 0539.</u> Job Training Partnership Act (JTPA) Payments amended to clarify exemption of JTPA payments.
- 5. <u>Section 0543.</u> Student Exemption amended to add reference to treatment of JTPA earnings.

- 6. <u>Section 0786.</u> Action on Overpayment amended to correct cross reference.
- 7. <u>Indices for Articles 5, 6, 8, 11, 12, 14</u> Amended to reflect actual contents of these articles.

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If you have any questions regarding these changes, please contact Albert Cooper of my staff at (916) 324-4892.

Sincerely,

Jim Martinez, Chief

County Medical Services Program

AC:tn